

**AGREEMENT FOR THE TRANSFER OF ASSETS
BY AND BETWEEN CRUSADER/MOUNTIE, LLC
AND RENEWABLE WATER RESOURCES TO WHICH NORTH GREENVILLE
UNIVERSITY IS ALSO A PARTY**

This **AGREEMENT FOR THE TRANSFER OF ASSETS** (this "Agreement") is entered into this 31st day of May, 2017, by and between Crusader/Mountie, LLC, a single member limited liability company organized under the laws of the State of South Carolina ("Crusader") whose sole member is the North Greenville University (the "University"), and the Renewable Water Resources, a South Carolina a body corporate and politic and a special purpose district organized under the laws of the State of South Carolina ("ReWa"), The University is also a party hereto by reason of the rights and obligations herein that directly pertain to it. Each entity is a "Party" and together they are the "Parties."

WHEREAS, Crusader operates a wastewater collection, treatment and disposal system (the "Crusader System") certificated by the Public Service Commission of South Carolina (the "Commission") that serves the Greenville campus of the University as well as certain customers in the Cherokee Valley community.

WHEREAS, ReWa is a special purpose district and political subdivision of the State of South Carolina which operates under the authorities granted by Act No. 362 of the Acts of the General Assembly of the State of South Carolina, 1925, as amended, such amendments to include without limitation, Act No. 195 of 1999 and Act No. 298 of 2016 (collectively, the "Enabling Act");

WHEREAS, pursuant to the requirements of the Enabling Act, ReWa is authorized to acquire sewer systems and service right in areas of Greenville County including the area in which the Crusader System operates;

WHEREAS, Crusader has determined that it would be in the best interests of its system, and customers, including the University, to sell the Crusader System to ReWa (the "Sale"), thereby allowing ReWa to operate and improve the Crusader System and serve its customers; and

WHEREAS, ReWa has determined that acquiring the Crusader System will benefit its existing customers (a) by putting existing treatment plant capacity owned by ReWa into active use thereby increasing revenues, (b) by expanding ReWa's economies of scope and scale, thereby reducing operating cost per customers, (c) furthering the development of Greenville County in an orderly and appropriate manner, and (d) by ensuring that water resources and environment of the County are protected through a regional wastewater treatment system serving the northern part of the County;

WHEREAS, the Parties have agreed on terms for such Sale, which include without limitation the transfer to ReWa of the Crusader wastewater treatment and disposal facilities along with all permits and associated real property (with certain rights of repurchase vested in the University); the transfer of

the Crusader wastewater collection system (not to include laterals or grease traps) and associated easements to ReWa; the grant of easements by the University for collection system assets located on University property; the transfer of eleven (11) existing pump stations and associated permits and real property to ReWa; the sale of tap certificates and establishing of wastewater treatment rates for the University; and other matters set forth below;

NOW, THEREFORE, and in consideration of the premises and mutual covenants and obligations contained herein, and for the sales price paid by ReWa to the University for certain real property interests, the receipt and sufficiency of which the parties hereby acknowledge, ReWa, Crusader and the University do hereby agree as follows:

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1. *Definitions.* The terms defined below are used in this Agreement with meanings ascribed thereto unless a different meaning is plainly intended.

"Agreement" means this Agreement for the Transfer of Assets dated May __, 2017, by and between the ReWa, Crusader and the University.

"Environmental Laws" means any federal, state, local, or foreign law (including, without limitation, common law), treaty, judicial decision, regulation, rule, judgment, order, decree, injunction, permit, or governmental restriction or any agreement with any governmental body or other third party, whether now or hereafter in effect, relating to the environment, human health and safety, or to pollutants, contaminants, wastes, or chemicals or any toxic, radioactive, ignitable, corrosive, reactive, or otherwise hazardous substances, wastes, or materials.

"System" means sewer system operated by ReWa.

"Crusader System" means all of the assets comprising the Crusader-maintained wastewater collection system and wastewater treatment and disposal facilities, as applicable, as further defined in EXHIBITS A, B, C, D and E and any Non-Enumerated Real Property Interests, but does not include individual, private service lines or laterals.

"Transfer Date" means that date for the transfer of ownership of the Crusader System from Crusader to ReWa.

ARTICLE II AGREEMENT TO TRANSFER AND ACQUIRE CERTAIN ASSETS

SECTION 2.1. *Agreement to Transfer.* ReWa and Crusader agree that the customers of the Crusader System will obtain more economical and efficient wastewater collection, treatment and disposal services if the assets comprising the Crusader System are transferred to ReWa and thereafter operated under the ownership and control of ReWa. ReWa has determined that by acquiring the Crusader System, it will be able to expand and extend its wastewater system into developing areas of Greenville County which will allow it to generate new streams of revenue from

existing wastewater treatment capacity, expand its economies of scale, and assist in the continued economic development of Greenville County, all of which benefits its existing and future customers. This Agreement provides for such transfer.

SECTION 2.2. *Rate Matters.*

(a) Rates. Except as otherwise expressly provided below, for bills rendered on or after the closing of the transfer contemplated herein, former customers of the Crusader System shall be billed at the applicable ReWa rates, and shall be subject to all applicable charges and fees as established by ReWa from time to time. Crusader will provide a list of these customers to ReWa prior to closing. ReWa will establish rates for direct collection customers, which initially shall conform generally to the rates and charges currently charged by the Crusader system for sewer service as approved by the South Carolina Public Service Commission, provided however, that tap fees, capital impact fees, and terms and conditions of service shall be as ReWa shall establish without reference to the existing charges, fees, rates, terms and conditions of Crusader. Except as otherwise expressly provided herein, ReWa may change its rates, terms and conditions of service at any time.

(b) Rate to the University –Central Campus. In consideration of the Sale, ReWa shall provide the University with wastewater collection, treatment and disposal services for the existing buildings and facilities on the Central Campus area that is located north of South Carolina Highway No. 414 for a fixed fee of Eleven Thousand, Two Hundred and Fifty Dollars and 00/100 dollars (\$11,250.00) per month for the sixty (60) months immediately following the Transfer Date. The payment of this amount shall fully compensate ReWa for all costs of providing service to the existing buildings and facilities that form part the University's central campus area that is located north of South Carolina Highway 414, including without limitation the chapel, dormitories, administration building, residences, dining halls, class room and other facilities listed as buildings 1-21, 27-50, and 53-61 on the map of Campus Attached hereto as **EXHIBIT 1**, but only to the extent that they are currently receiving sewer service from Crusader, and shall include any expansions, renovation, replacements or reconfigurations of these buildings to the extent that additional sewer demand is not created thereby. No additional charges, surcharges or assessments, recovery factors, rate riders or charges of any kind shall apply to this service.

(c) Rate to the University –Campus Areas South of Highway 414. In consideration of the Sale, ReWa shall provide the University with wastewater collection, treatment and disposal services for the existing buildings and facilities on the campus area that is located south of South Carolina Highway No. 414 for Six Thousand, Five Hundred and 0/100 dollars (\$6,500.00) per month for the sixty (60) months immediately following the Transfer Date, provided that at such time as ReWa connects the wastewater collection system serving this area to its treatment facilities and ceases treating this waste through a pump and haul operation, the rate shall be reduced to Eleven Hundred and Twenty Five and 0/100 dollars (\$1,1250.00) per month for remainder of the sixty (60) month term. The payment of this amount shall fully compensate ReWa for all costs of providing service to the existing buildings and facilities that part the University's central campus area that is located south of South Carolina Highway No. 414, including without limitation the athletic facilities, President's house, other houses and residences listed as buildings 22-26, 28 (duplicate), and 51-52, and 62, on the map of Campus Attached hereto as **EXHIBIT 1**, and certain University-owned residences that are not assigned numbers on that map, but only to the extent that they are currently receiving sewer service from Crusader, and shall include any expansions, renovation, replacements or reconfigurations of these buildings to the extent

that additional sewer demand is not created thereby. No additional charges, surcharges or assessments, recovery factors, rate riders or charges of any kind shall apply to this service. Nothing herein shall require any premises not currently connected to central sewer service to be connected.

(d) The rates set forth above shall apply to the existing facilities and any replacements, renovations and expansions of those facilities to the extent of the current wastewater treatment demands and Equivalent Residential Units (ERU) associated with the existing facilities. Tap or impact fees shall be required only to the extent of any increase in ERUs due to replacement, renovation, expansion or new construction.

SECTION 2.3. *Easements on University Property, Tap Certificates, Real Property Interests*

(a) Collection System Easements on University Property. In addition to the pre-existing easements and rights-of-way held by Crusader over real property not owned by Crusader or the University which are otherwise being transferred hereunder, the University will grant to ReWa an easement in the form attached hereto as **EXHIBIT D** granting ReWa a thirty foot (30') easement for the maintenance, operation, repair, replacement and refurbishing of the collection system serving the University and located on real property owned by the University (the "Collection System Easement"). The Collection System Easement (i) shall be delineated on a survey to be prepared by a surveyor licensed in the State of South Carolina (the "Collection System Easement Survey"), (ii) shall be subject to existing encroachments and all other matters of record, and (iii) except where limited by existing encroachments and/or other matters of record shall run fifteen feet (15') to either side of the centerline of the lines comprising the Crusader collection system on University property. The collection system shall encompass all existing sewer manholes and the collection lines between manholes located on University property (the "Collection System"). Lines with no upstream manhole shall not comprise part of the Collection System for purposes of delineating the Collection System Easement.

(b) Lateral Repair, Replacement or Refurbishment. ReWa shall repair and replace laterals and other lines connecting the Collection System to service locations owned by the University ("Laterals").

(c) Easement Terms. The Collection System Easement shall provide that at the University's expense ReWa will relocate any easement and associated facilities when requested to do so by the University. The Collection System Easement shall require ReWa to conduct repair, maintenance, renewal, replacement and other construction work regularly, as needed, and expeditiously, and in a manner and at times that reasonably minimize disruption to the University with specific consideration given to the academic calendar. Except in emergency situations ReWa will provide the University with reasonable notice of any work to be done. ReWa will restore all disturbances of land, landscaping or fixtures in a timely and complete manner. The University will grant the Collection System Easement in AS-IS, WHERE-IS condition, and makes no representation or warranty whatsoever as to the presence or absence of encroachments or other restrictions or limitations, or that the facilities installed in reliance on them are properly located with the scope of the rights provided, or any other representation or warranty whatsoever.

(d) Preparation of Survey and Recording. ReWa shall pay the cost of surveying the Collection System and preparing the Collection System Easement Survey subject to University

approval which shall not be unreasonably withheld. ReWa shall be responsible for obtaining approval of the Collection System Easement Survey for recording in the real property records for Greenville County, South Carolina. At Closing, the University will execute the approved Collection System Easement, which shall refer to the Collection System Easement Survey, and ReWa shall record both in the real property records for Greenville County.

(e) Compensation to University for the Real Property and Easements. ReWa shall compensate the University for the real property and easements transfers contemplated herein in the amount of One Hundred and Twenty Five Thousand and 00/100 dollars (\$125,000.00). Said amount shall be paid by the transfer by ReWa to the University of fifty (50) tap certificates each representing one ERU as defined in the regulations of the South Carolina Department of Health and Environmental Control (DHEC) in force at the date hereof, which certificates shall be fully paid and irrevocable. Each certificate shall grant the University the right to one ERU of additional sewer capacity for future expansions or improvements without payment of additional charges, assessments, impact fees, capacity fees, or other fees or connection charges for such capacity.

SECTION 2.4. *Conditions to Closing.*

(a) To Crusader. The following shall be conditions precedent to the obligation of the Crusader to proceed with the closing of the Transfer (the "Closing"):

- i. Approval of the transfer by final and unappealable order of the South Carolina Public Service Commission;
- ii. Crusader's and/or the University's, as applicable, approval of all surveys, Title Materials, and other documentation to be executed in connection with this Agreement and contemplated herein.

(b) To ReWa. The following shall be conditions precedent to the obligation of ReWa to proceed with the closing of the Transfer:

- i. The completion and approval by ReWa of the Collection System Easement Survey, Real Property Surveys, and all surveys, Title Materials, and other documentation to be executed in connection with this Agreement and contemplated herein.
- ii. Crusader shall have duly performed each and every covenant of Crusader hereunder.
- iii. All representations and warranties made by Crusader hereunder shall be true and correct as if made on and as of the Transfer Date.
- iv. The physical condition of the Crusader System shall be in substantially the same condition as on the date of this Agreement.

(c) The Parties acknowledge and agree that the easements and other attachments to this Agreement are not in final form. A condition to closing for all Parties shall be the satisfactory negotiation of final versions of said easements and other attachments.

If any one or more of the conditions set forth in this Section are not satisfied or otherwise expressly waived in writing on or prior to the Transfer Date, the party whose obligation to close is subject to such conditions may elect, in its sole and absolute discretion, to terminate this Agreement in which event this Agreement shall terminate, and the parties shall have no further liability hereunder except with respect to those obligations hereunder which expressly survive the termination of this Agreement. If the closing shall fail to occur as the result of the failure of any condition precedent, each Party shall be responsible for its own costs.

SECTION 2.5. *Transfer Date*

Crusader shall establish a Transfer Date and communicate the same to ReWa in writing which date shall be to be not more than 60 days following the satisfaction of the conditions to closing.

SECTION 2.6. *Assets Transferred to ReWa.*

Crusader shall transfer and ReWa accepts all the assets of the Crusader System as of the Transfer Date. The following provisions enumerate the assets constituting the Crusader System:

(a) Fixed Assets, Real Property, Easements and Rights-of-Way. Crusader transfers to ReWa:

- i. Fixed Assets. All pipes, valves, lines, meters, pressure regulatory devices, manholes, wells, vaults, tanks, raw or treated wastewater storage facilities, pumps, pump stations, SCADA systems, treatment facilities, outfalls, and other property, plant, and fixed equipment used in the provision of sewer service or in operating the Crusader System, Collection System, and ReWa Laterals. A general quitclaim bill of sale, without warranty or representation of any nature, of all the fixed assets transferred to ReWa is attached as **EXHIBIT A**.
- ii. Real Property. All real property used in the provision of sewer service or in operating the Crusader System, including the real property on which the Crusader wastewater treatment plant (the "Treatment Plant") located within the fence surrounding that plant, the real property on which the Crusader's eleven (11) pump stations are located (the "Pump Stations"), and any other real property on which pump and haul vault or similar facilities are located ("Other Sewer Real Property"). A form of deed for the Treatment Plant, the Pump Stations, and the Other Sewer Real Property is attached as **EXHIBIT B** and Crusader shall retain the right in such deed(s), that after such time as the Treatment Plant, any Pump Station and/or any Other Sewer Real Property is taken out of service, the University may re-purchase such Treatment Plant, Pump Station, or Other Sewer Real Property (collectively, the "Real Property") from ReWa for One Dollar (\$1.00) reserving without charge to ReWa any easements necessary for lines or other replacement facilities on that property. The Real Property shall be conveyed strictly in its AS IS-WHERE IS condition, and neither Crusader nor the University makes any representations or

warranties whatsoever with respect to the physical condition, repair, value or operation of such real property or its operability or suitability for as a treatment plant, pump station or other similar facility or for any other purpose. The Real Property shall also be conveyed by Crusader to ReWa subject to the following: (a) ad valorem real property taxes and assessments not yet due and payable; (b) liens and assessments, both general and special, and other governmental charges which are not yet due and payable and rollback taxes; (c) all applicable zoning and other land use regulations and/or restrictions of any political subdivision or agency of any federal, state, or local governmental department or agency having jurisdiction over the Real Property; (d) all existing electric power, telephone, gas, sanitary sewer, storm sewer, water and other utility lines, pipelines, service lines, and facilities of any nature on, over or under the Real Property, and all recorded or unrecorded licenses, easements, rights-of-way, and other agreements relating thereto; (e) all existing public roads and streets (whether dedicated or undedicated), and all railroad lines and rights-of-way; (f) riparian and/or littoral rights incident to the Real Property and title to any filled land; (g) any encroachments, easements, measurements, variations in area or content, party walls or other facts which a correct survey or inspection of the Real Property would show; (h) and all matters of record, including, without limitation, conditions, covenants, easements, restrictions, and rights of way indicated by instruments, including plats.

Within sixty (60) days after the execution of this Agreement, ReWa shall cause to be prepared or conducted, at its sole cost and expense, (i) a title search to be made of all the Real Property and the preparation of a title insurance commitment for all the Real Property (collectively, the "Title Materials") and (ii) ALTA/ACSM survey(s) to be prepared by a SC-licensed surveyor of all the Real Property (each, a "Real Property Survey" and collectively, the "Real Property Surveys"), which Title Materials and Real Property Surveys ReWa shall submit to Crusader for approval. If no legal description currently exists for any one or more parcels of the Real Property pursuant to deed(s) of record vesting title thereto in Crusader (an "Existing Legal Description"), ReWa shall cause the applicable parcel(s) of Real Property Surveys to be prepared as a subdivision plat creating a subdivided parcel for each such parcel of Real Property, such parcel comprising an area sufficient for ReWa's purposes to be determined by Crusader in its reasonable discretion after consultation with ReWa, but if a fence around such Treatment Plant, Pump Station or other sewer-related improvement currently exists, the fence shall determine the boundary line of such Treatment Plant, Pump Station or other sewer-related improvement (a "Real Property Subdivision Plat(s)"). And Existing Legal Description for each parcel of the Real Property shall be used in the deed conveying title to each parcel of the Real Property to the extent in existence or otherwise, the legal description from the applicable Real Property Subdivision shall be used in the deed conveying title to each of the remaining parcels of Real Property for which an Existing Legal Description does not exist. The Real Property Subdivision Plat(s) and all other Real Property Surveys shall be subject to approval by Crusader, and ReWa shall be solely responsible for obtaining approval from the applicable governmental authorities for recordation of the Real Property Subdivision Plat(s) in the real property records of Greenville County, South Carolina. In any event,

Crusader shall only convey to ReWa the Real Property which Crusader owns, as confirmed by the Title Commitment, which Title Commitment shall be subject to approval by Crusader.

- iii. Easements and Rights-of-Way. Rights-of-way, easements of record and prescriptive easements, if any, used in the provision of sewer service or in operating the Crusader System, the Collection System or the ReWa Laterals. A general quitclaim assignment of such easements and rights-of-way, with representation or warranty of any nature, and non-exclusive lists of specifically enumerated easements and rights-of-way, is attached as **EXHIBIT C**.
- iv. No Representation or Warranty as to Real Property, Easements, Rights-of-Way and Related Property Interests. Crusader and the University will assign the easements, rights of way, crossing permits, or encroachment permits, if any, in AS-IS, WHERE-IS condition, and make no representation or warranty whatsoever as to the existence of any particular easements, rights of way, crossing permits or encroachment permits, the completeness of the set of easements, rights of way, crossing permits, or encroachment permits it holds, the enforceability or legal sufficiency of any or all of them, the presence or absence of encroachments or other restrictions or limitations, or that the facilities installed in reliance on them are properly located with the scope of the rights provided, or otherwise.

(b) Collection System Easement. The University will grant to ReWa the Collection System Easement as contemplated in Section 2.3 hereinabove.

(c) Sewer Real Property Access Easement. The University will grant to ReWa an easement for access, ingress, and egress to and from the Real Property over only such portions of the real property owned by the University as minimally necessary to provide ReWa reasonable access, ingress, and egress to and from the Real Property from public roadways, which easement rights, ReWa shall exercise solely for the purpose of accessing the Real Property as reasonably necessary to conduct repair, maintenance, renewal, replacement or other construction work thereon (the "Access Easement"). The Access Easement shall provide that ReWa shall only have the right to access the Pump Stations over existing private paved roadways located on the University real property; provided, however, if no existing private paved roadway exists which would provide reasonable access to a portion of the Real Property, the University and ReWa shall work together to determine the best route for access to minimize disruption to the University property, such route not to exceed fifteen feet (15') in width. The form of Access Easement is set forth on **EXHIBIT J** attached hereto. ReWa, at its sole cost and expense, shall cause a licensed SC surveyor to prepare one or more survey(s) of the real property of the University delineating the easement areas on the University real property which ReWa may utilize to access the Real Property pursuant to the Access Easement, which survey(s) shall be subject to the approval of the University. The University will grant the Access Easement in AS-IS, WHERE-IS condition, and make no representation or warranty whatsoever with respect thereto.

(d) Non-Enumerated Real Property and other Interests. The Parties recognize and acknowledge that the list of rights-of-way, easements, fee simple interests, and other interests in real property associated with the Crusader System that is contained in the exhibits to this Agreement may not be exhaustive and that certain interests in real property associated with the Crusader System and

intended to be transferred hereunder may not be specifically enumerated therein. It is the express intention of the Parties to transfer to ReWa all Crusader's rights-of-way, easements, fee simple interests, and other interests in real property, including prescriptive rights, that are associated with the Crusader System whether they are listed in the exhibits to this Agreement or not. (The former waste water disposal lagoon currently used as a retention pond and landscape amenity for the campus is expressly not included in the transfer.) Crusader agrees to use its best efforts to maintain those records and documents in its possession that are related to rights-of-way, easements, fee simple interests, and other interests in real property associated with the Crusader System and will locate such documents and provide them to ReWa upon reasonable request. Crusader agrees to execute any documents necessary or convenient to perfect the transfer or recording of the transfer of any such non-enumerated interests in real property to ReWa upon reasonable request of ReWa.

(e) Non-Fixed Assets. Crusader hereby transfers to ReWa the non-fixed assets including the equipment, tools, spare parts, supplies, and other assets as itemized on the bill of sale attached as **EXHIBIT E**.

(f) Customer Accounts and Account Information. Crusader will transfer to ReWa all customer accounts and billing information related to the Crusader System both in paper and if available in electronic form in conformity with the reasonable requests and specifications of ReWa.

(g) Accounts Payable and Receivable. Crusader will be responsible for payment of all costs incurred prior to the Transfer Date associated with the Crusader System. ReWa will be responsible for the payment of all costs attributed to the Crusader System incurred after the Transfer Date. Costs for periods spanning the Transfer Date will be pro-rated as necessary. Crusader will retain all accounts receivable related to the Crusader System outstanding as of the Transfer Date and amounts collected shall be retained by Crusader. At Crusader's reasonable request, ReWa will assist Crusader in collecting those accounts on the same term and conditions as apply to ReWa's collection of past due accounts and will transfer any amounts collected to Crusader.

(h) Contracts, Permits, Records, Reports. Crusader transfers to ReWa all existing or outstanding contracts, permits, permit files, drawings, engineering reports and other documents related to the Crusader System as well as any warranty rights or claims against third parties related to the Crusader System. The documents transferred include, without limitation, discharge and operating permits, documents concerning regulatory and compliance reports, studies, sanitary sewer overflow reports, grease trap inspection programs records, maintenance records, reports and evaluations, engineering studies, and information related to capital improvement projects, insurance claims and other liabilities.

(i) Deposits and Charges. To the extent that Crusader holds any deposits, prepayments or prepaid charges related to the Crusader System, they are transferred to ReWa, including, without limitation, any monies for tap and impact fees which may have been collected before the Transfer Date, but are for taps to be made or services to be rendered by ReWa after the Transfer Date.

(j) Other Claims and Payments. Crusader hereby transfers to ReWa all other claims, refunds, payments, awards or revenues related to the Crusader System that both accrue and become payable to Crusader after the Transfer Date, except as otherwise provided herein.

(k) Closing Costs. ReWa shall pay all recording fees, deed recording fees/transfer taxes based on the value of the property conveyed pursuant to S.C. Code Ann. Section 12-24-10 et seq., and other costs associated with the closing of the transaction and the recording of the interests granted herein.

(l) No Representation or Warranty as to Fixed or Non-Fixed Assets, Customer and Other Information, Data, Plans, Reports, Permits and other Documents and Information. Crusader and the University provide the Fixed or Non-Fixed Assets, including without limitation treatment plant, pumps and pump stations, collection lines, vaults, tanks, manholes, easements, equipment, measuring devices, customer and other information, data, plans, reports, contracts, warranty documents from third parties, permits and all other assets, documents and information transferred hereunder "AS IS, WHERE IS" and make no representation or warranty as to them, including but not limited representations or warranties as to their condition, completeness, contents, compliance with Environmental Law or other legal requirements, safety or repair.

DISCLAIMER OF WARRANTIES

EXCEPT AS OTHERWISE SET FORTH HEREIN, CRUSADER AND THE UNIVERSITY DISCLAIM ALL WARRANTIES AS TO FIXED OR NON-FIXED ASSETS, INCLUDING WITHOUT LIMITATION THE TREATMENT PLANT, PUMPS AND PUMP STATIONS, COLLECTION LINES, VAULTS, TANKS, MANHOLES, EASEMENTS, EQUIPMENT, MEASURING DEVICES, CUSTOMER AND OTHER INFORMATION, DATA, PLANS, REPORTS, CONTRACTS, WARRANTY DOCUMENTS FROM THIRD PARTIES, PERMITS AND ALL OTHER ASSETS, DOCUMENTS AND INFORMATION TRANSFERRED HEREUNDER INCLUDING WITHOUT LIMITATION WARRANTIES AS TO DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ENFORCEABILITY, CONDITION, FREEDOM FROM DAMAGE OR DEFECT OR OTHERWISE WITH RESPECT TO THE PHYSICAL CONDITION THEREOF, ACCURACY, OR COMPLETENESS, COMPLIANCE WITH ENVIRONMENTAL LAWS, OR OTHER LEGAL REQUIREMENTS, SAFETY OR REPAIR.

SECTION 2.7. *Assumption of Liabilities by ReWa.*

The liabilities agreed to be assumed by ReWa are described below:

(a) Contractual Obligations. Attached hereto as **EXHIBIT F** is a list of all contractual, permit or other payment obligations related to the Crusader System the responsibility for which is transferred to ReWa.

(b) Other Liabilities. Attached as **EXHIBIT G** hereto is a list of properties for which fees for future service, capacity fees or connections have been paid and the nature and amount of the fees in question. ReWa shall honor the service rights associated with the payments set forth in **EXHIBIT G**.

(c) Indebtedness. ReWa does not assume responsibility for any loans or indebtedness of Crusader or the Crusader System.

SECTION 2.8. *Environmental Liability or Other Liability.* The Parties agree that ReWa shall pay any response and clean-up costs, claims and damages for any environmental liability or other liability related to the Crusader System that arise or are asserted after the Transfer Date, and as to environmental liabilities, this obligation shall remain in place only for so long as ReWa owns the property or assets associated with the claims.

SECTION 2.9. *Liens.* Crusader shall transfer to ReWa title to all Crusader System assets free and clear of all liens recorded as a matter of public record as of the Transfer Date.

SECTION 2.10. *Loss or Damage to the Crusader System.* If before the Transfer Date, the assets comprising the Crusader System suffer loss or damage then all insurance proceeds related to the loss or damage shall be expended as directed by ReWa to repair the Crusader System and the balance paid to ReWa at the Transfer Date.

SECTION 2.11. *Capacity and Repairs.* ReWa will manage its system to ensure that the wastewater demand from the University's current facilities can at all times be met in a safe, sanitary and environmentally sound manner. Upon completion of the improvements required to the Collection system as required below, ReWa makes the same commitment regarding the demands associated with the 50 taps being sold as part of the transaction. Within twelve (12) months of the Transfer Date, ReWa will adopt and commence to implement a capital improvement plan to renew, repair or reconstruct the Collection System and Laterals as required to ensure their safe, sanitary and environmentally sound operation. ReWa will complete the required work within five years of the Transfer Date. ReWa will present the plan to the University for review and comment prior to its adoption, and shall give due consideration to comments received in adopting the plan.

ARTICLE III REPRESENTATIONS AND WARRANTIES

SECTION 3.1. *Representations and Warranties of Crusader.* Crusader hereby represents and warrants to ReWa as follows:

(a) **Authorization.** Crusader has taken action necessary by its governing body to authorize entering into this Agreement, to transfer the Crusader System to ReWa, to grant to ReWa property interests reflected here, and to secure the release of all liens related to the Crusader System, as set forth on **EXHIBIT G**.

(b) **No Conflict, Breach, or Default.** The execution and delivery of this Agreement and the performance by Crusader of its obligations hereunder will not conflict with or constitute a breach of or default under (i) any contract or agreement to which Crusader is a party or by which Crusader is bound or to which the assets of the Crusader System are subject, (ii) any law, regulation, administrative or judicial order, or any judgment or decree to which Crusader or the Crusader System is subject (provided however, that the transfer shall require and be conditional upon approval of the Public Service Commission of South Carolina), or (iii) the organization documents of Crusader.

(c) Title to Crusader System. Crusader has insurable legal title to all of the assets (as set forth in Section 2.3(a) of this Agreement) of the Crusader System to be transferred hereunder, subject to no lien or claim.

(d) Contracts. Crusader represents and warrants that it is not a party to any contracts related to the Crusader System except for the contracts listed on **EXHIBIT F** attached hereto.

(e) Continued Operation. Crusader will operate and maintain the Crusader System pending transfer to ReWa according to its ordinary standards and practices, using sound engineering and operating practices, and take all actions necessary to prevent any undue degradation or damage to the assets comprising the Crusader System.

(f) Continued Insurance. Crusader will maintain property and casualty insurance on the entire Crusader System in an amount equal to the reasonable replacement value of the Crusader System pending transfer of the Crusader System to ReWa and will cause ReWa to be listed as an additional insured on such policy.

(g) No Litigation. There is no litigation, arbitration, or other legal or administrative suit, action, proceeding or investigation pending or threatened against or involving Crusader or the ownership or operation of the Crusader System.

(h) No Violations. Crusader has not received notice of any violation of any law or municipal ordinance, order or requirement noted or issued against the Crusader System by any governmental authority having jurisdiction over the Crusader System, that has not been cured, corrected or waived as of the Transfer Date.

(i) Environmental. To Crusader's knowledge, there are no Hazardous Materials installed, stored in or otherwise existing at, on, in or under the Crusader System in violation of any Environmental Laws. "**Hazardous Materials**" means "Hazardous Material," "Hazardous Substance," "Pollutant or Contaminant," and "Petroleum" and "Natural Gas Liquids," as those terms are defined or used in CERCLA, and any other substances regulated because of their effect or potential effect on public health and the environment, including PCBs, lead paint, asbestos, urea formaldehyde, radioactive materials, putrescible materials, and infectious materials.

SECTION 3.2. Representations and Warranties of ReWa. ReWa hereby represents and warrants to Crusader and the University as follows:

(a) Due Authorization, Execution, and Delivery. ReWa has full right, power, and authority (i) to enter into this Agreement, (ii) to acquire the Crusader System and thereafter operate the System, and (iii) to perform all its obligations hereunder. ReWa has taken all action necessary to authorize the execution and delivery of this Agreement and all other documents, instruments, or agreements necessary to effectuate the intent hereof. No further action, consent, or approval is required by ReWa or by any governmental body to approve, consent to, or permit the performance by ReWa of its obligations hereunder or to acquire and operate the Crusader System as contemplated hereby.

(b) No Conflict, Breach, or Default. The execution and delivery of this Agreement and the performance by ReWa of its obligations hereunder will not conflict with or constitute a breach of or default under (i) any contract or agreement to which ReWa is a party or by which ReWa is bound or to which the assets of the System are subject, (ii) any law, regulation, administrative or judicial order, or any judgment or decree to which ReWa or the System is subject, or (iii) any act of ReWa or any resolutions or the bylaws of ReWa.

SECTION 3.3. *Representations and Warranties of the University.* The University hereby represents and warrants to Crusader and ReWa as follows:

(a) Due Authorization, Execution, and Delivery. The University has full right, power, and authority (i) to enter into this Agreement, (ii) to convey easements and other property as contemplated herein, and (iii) to perform all its obligations hereunder. The University has taken all action necessary to authorize the execution and delivery of this Agreement and all other documents, instruments, or agreements necessary to effectuate the intent hereof. No further action, consent, or approval is required by the University or by any governmental body to approve, consent to, or permit the performance by the University of its obligations hereunder or transfer the real property interests as contemplated hereby.

(b) No Conflict, Breach, or Default. The execution and delivery of this Agreement and the performance by the University of its obligations hereunder will not conflict with or constitute a breach of or default under (i) any contract or agreement to which the University is a party or by which the University is bound or to which its assets are subject, (ii) any law, regulation, administrative or judicial order, or any judgment or decree to which the University is subject, or (iii) any provision of the University's charter or any resolutions or the bylaws of the University.

SECTION 3.4. *No Sale of System.* ReWa and its successors in interest will not sell, transfer, or otherwise convey the System to any other entity without the express written consent of the University, which consent shall not be unreasonably withheld.

SECTION 3.5. *Default.* In the event either Party discovers that any representation is untrue in any material respect or any warranty is breached in any material respect, the cost of correcting any problem resulting therefrom or of paying or responding to any resulting claims, including reasonable attorney's fees, shall be borne by the Party whose representation is untrue or whose warranty is breached. In the event either Party fails to timely perform its obligations hereunder, the other Party may initiate action to compel compliance in any court of competent jurisdiction. The costs of such action shall be recoverable from the defaulting Party.

ARTICLE IV MISCELLANEOUS

SECTION 4.1. *Counterparts.* This Agreement may be executed in counterparts, which when assembled shall constitute but one original Agreement.

SECTION 4.2. *Severability.* The provisions hereof are severable and in the event any one or more of such provisions is void or unenforceable, the remainder of this Agreement shall constitute the agreement between the Parties as to the subject matter hereof.

SECTION 4.3. *Effect of Dissolution of a Party.* In the event either ReWa or Crusader for any reason shall be dissolved, consolidated or its legal existence shall otherwise be terminated, all of the covenants, stipulations, obligations, and agreements contained in this Agreement by or on behalf of or for the benefit of such Party shall bind or inure to the benefit of the successor or successors thereof. The Parties acknowledge that the rights and interests of Crusader shall devolve to the University upon dissolution of Crusader.

SECTION 4.4. *Legal Holidays.* In any case where the date of any action required hereunder shall be on a day on which is a legal holiday in the State of South Carolina, performance shall be deemed timely if made on the next succeeding day that is not such a legal holiday with the same force and effect as if such act were performed on the date otherwise provided for herein.

SECTION 4.5. *Manner of Giving Notice.* All notices, demands, and requests to be given to or made hereunder by ReWa or Crusader shall be given or made as indicated below or in writing and shall be deemed to be properly given or made if sent by United States certified mail, return receipt requested, postage prepaid, addressed as follows:

(a) As to ReWa:

Graham Rich, Chief Executive Officer
ReWa
561 Mauldin Road
Greenville, SC 29607
grahamr@re-wa.org

(b) As to Crusader:

President, North Greenville University
Post Office Box 1892
Tigerville, SC 29688-1892
president@ngu.edu

Any such notice, demand, or request may also be transmitted to the appropriate above-mentioned Party by email or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change sent by United States certified mail, return receipt requested, postage prepaid, to the other Parties by the Party effecting the change.

SECTION 4.6. *Parties Alone Have Rights under Agreement.* There are no third-party beneficiaries to this Agreement. Except as herein otherwise expressly provided, nothing in this

Agreement, express or implied, is intended or shall be construed to confer upon any person, firm, or corporation, other than ReWa, Crusader and the University any right, remedy or claim, legal or equitable, under or by reason of this Agreement or any provision hereof. This Agreement and each provision herein are intended to be and are for the sole and exclusive benefit of ReWa, Crusader and the University.

SECTION 4.7. *Headings.* Any heading preceding the text of the several articles hereof, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction, or effect.

SECTION 4.8. *Further Authority.* The officers of ReWa, Crusader, and the University, their attorneys, engineers, and other agents or employees are hereby authorized to do all acts and things required of them by this Agreement for the full, punctual, and complete performance of all of the terms, covenants, and agreements contained herein.

SECTION 4.9. *Choice of Forum.* The Parties hereto agree that any suit, action, or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement of the transactions described herein may be brought only in the Court of Common Pleas for Greenville County, South Carolina, or in the original jurisdiction of the South Carolina Supreme Court.

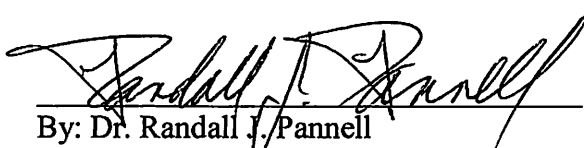
SECTION 4.10. *Rules of Construction.* Words of masculine gender shall be deemed and construed to include correlative words of feminine and neuter genders and, unless the context shall otherwise indicate, words in singular shall also be plural and vice versa. The intent of this Agreement is to provide for the consolidation utility systems as described herein. To that end, in the event any one or more provisions hereof are determined to be void, invalid, or unenforceable, so long as the remainder of this Agreement is sufficient to accomplish its primary purpose, such void, invalid, or unenforceable provision shall be severed herefrom and the balance hereof shall constitute the agreement of the Parties hereto. Certain representations, warranties, rate matters, easement filings, and covenants are not verifiable or to be performed until after the Transfer Date; therefore the provisions hereof shall survive the Transfer Date and the transfers contemplated.

SECTION 4.11. *Survival.* Terms, covenants, and agreements contained herein shall survive the closing of the transfer of the Crusader System as appropriate to carry into effect the intent of the Parties as manifested in those terms.

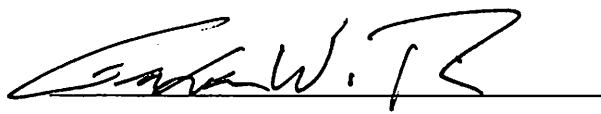
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IN WITNESS WHEREOF, ReWa, Crusader and the University have caused this Agreement of the Transfer of Assets to be signed in their names by their duly authorized officers as of the date first hereinabove written.

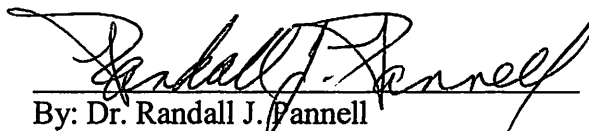
CRUSADER/MOUNTIE, LLC


By: Dr. Randall J. Pannell
Its: Interim President

RENEWABLE WATER RESOURCES


By: Graham W. Rich
Its: Chief Executive Officer

NORTH GREENVILLE UNIVERSITY


By: Dr. Randall J. Pannell
Its: Interim President

LIST OF EXHIBITS

- EXHIBIT A** Bill of Sale for Water and Sewer Systems and Fixed Assets
- EXHIBIT B** Form of Real Property Deeds
- EXHIBIT C** Form of Assignment of Easements and Rights-of-Way
- EXHIBIT D** Form of Collection System Easement
- EXHIBIT E** Bill of Sale for Non-Fixed Assets
- EXHIBIT F** Contractual Obligations
- EXHIBIT G** Other Liabilities
- EXHIBIT H** Form of Access Easement

EXHIBIT A

STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

**BILL OF SALE FOR SEWER SYSTEMS AND
FIXED ASSETS**

FOR AND IN CONSIDERATION of the Purchase Price, as set forth below, and of the sum of One Dollar and 00/100 (\$1.00) paid to **Crusader/Mountie, LLC** ("Seller"), the receipt and sufficiency of which is hereby acknowledged, at and before signing and sealing of these presents, and the additional consideration hereinafter set forth, Seller does hereby sell, transfer and convey by quitclaim to **Renewable Water Resources** (a political subdivision of the State of South Carolina) ("Buyer"), its successors and assigns forever, any rights, title and interest as it may have in assets and equipment associated with the sewer system, including but not limited to all lines, sewer lines, pipes, valves, manholes, pumps, pump stations, SCADA systems, treatment facilities, outfalls, and other property, plant, and fixed equipment used in the provision of sewer service or in operating the sewage collection and treatment facilities, as applicable, if any, as set forth on the attached **Schedule** (collectively, the "Crusader System").

Seller has executed this Bill of Sale For Sewer Systems and Fixed Assets and quitclaimed, the Crusader System to Buyer, and except as otherwise set forth in the Transfer Agreement (as defined below), Buyer has accepted the same and purchased the Crusader System, AS IS AND WHEREVER LOCATED, WITH ALL FAULTS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF WHATSOEVER NATURE, EXPRESS, IMPLIED, OR STATUTORY, IT BEING THE INTENTION OF SELLER AND BUYER TO EXPRESSLY NEGATE AND EXCLUDE ALL WARRANTIES WHATSOEVER, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF TITLE, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, ANY RIGHTS OF BUYER UNDER APPROPRIATE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION, ANY CLAIM BY BUYER FOR DAMAGES BECAUSE OF DEFECTS, WHETHER KNOWN OR UNKNOWN WITH RESPECT TO THE CRUSADER SYSTEM, WARRANTIES CREATED BY AFFIRMATION OF FACT OR PROMISE AND ANY OTHER WARRANTIES CONTAINED IN OR CREATED BY THE UNIFORM COMMERCIAL CODE AS NOW OR HEREAFTER IN EFFECT IN THE STATE IN WHICH SUCH PERSONAL PROPERTY IS LOCATED, OR CONTAINED IN OR CREATED BY ANY OTHER LAW.

It is agreed that this Bill of Sale For Sewer Systems and Fixed Assets and the related AGREEMENT FOR THE TRANSFER OF ASSETS BY AND BETWEEN CRUSADER/MOUNTIE, LLC AND RENEWABLE WATER RESOURCES (including all Exhibits, amendments, supplements and corrections thereto signed by both Parties) (the "Transfer Agreement") and the associated documents referenced therein, comprise all the agreements between the Parties and no representations or statements, verbal or written, have been made, modifying, adding to, or changing the terms of these agreements.

IN WITNESS WHEREOF, the Parties hereunto have set their Hands and Seals on this
____ day of _____, 2017.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

CRUSADER/MOUNTIE, LLC

Witness

By: Dr. Randall J. Pannell
Its: Interim President

Witness

Accepted by Renewable Water Resources :

By: Graham W. Rich
Its: Chief Executive Officer

Date: _____, 2017

Schedule to Exhibit A

The sewer plant and assets of Crusader, including all improvements located thereon, and all pipes, valves, meters, pressure regulatory devices, manholes, tanks, wastewater storage facilities, pumps, pump stations, SCADA systems, treatment facilities, outfalls, and other property, plant, and fixed equipment used in the provision of sewer service or in operating the Crusader System, including, without limitation, the following:

EXHIBIT B

DEEDS — REAL PROPERTY

[To follow]

EXHIBIT C

[To Follow]

EXHIBIT D

[Form of Easement from University]

EXHIBIT E

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

BILL OF SALE FOR NON-FIXED ASSETS

FOR AND IN CONSIDERATION of the Purchase Price, as set forth below, and of the sum of One Dollar and 00/100 (\$1.00) paid to **Crusader/Mountie, LLC** (a body corporate and politic and a municipality of the State of South Carolina ("Seller")), the receipt and sufficiency of which is hereby acknowledged, at and before signing and sealing of these presents, and the additional consideration hereinafter set forth, subject to the limitations of warranties and reservation of rights as follows, Seller does hereby sell, transfer and convey by quitclaim to **Renewable Water Resources** (a political subdivision of the State of South Carolina) ("Buyer"), its successors and assigns forever, any rights, title and interest as it may have in non-fixed assets and related non-fixed equipment associated with the sewer system as set forth on the attached list, if any (the "List"), but no ownership interest is conveyed in any item which is listed on the List as being owned by a third party (all such non-fixed assets conveyed, the "Non-Fixed Assets").

Seller has executed this Bill of Sale For Non-Fixed Assets and quitclaimed, the Non-Fixed Assets to Buyer, and except as otherwise set forth in the Transfer Agreement (as defined below), Buyer has accepted the same and purchased the Non-Fixed Assets, AS IS AND WHEREVER LOCATED, WITH ALL FAULTS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF WHATSOEVER NATURE, EXPRESS, IMPLIED, OR STATUTORY, IT BEING THE INTENTION OF SELLER AND BUYER TO EXPRESSLY NEGATE AND EXCLUDE ALL WARRANTIES WHATSOEVER, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF TITLE, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, ANY RIGHTS OF BUYER UNDER APPROPRIATE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION, ANY CLAIM BY BUYER FOR DAMAGES BECAUSE OF DEFECTS, WHETHER KNOWN OR UNKNOWN WITH RESPECT TO THE CRUSADER SYSTEM, WARRANTIES CREATED BY AFFIRMATION OF FACT OR PROMISE AND ANY OTHER WARRANTIES CONTAINED IN OR CREATED BY THE UNIFORM COMMERCIAL CODE AS NOW OR HEREAFTER IN EFFECT IN THE STATE IN WHICH SUCH PERSONAL PROPERTY IS LOCATED, OR CONTAINED IN OR CREATED BY ANY OTHER LAW.

It is agreed that this Bill of Sale for Non-Fixed Assets and the related AGREEMENT FOR THE TRANSFER OF ASSETS BY AND BETWEEN CRUSADER/MOUNTIE, LLC AND RENEWABLE WATER RESOURCES (including all Exhibits, amendments, supplements and corrections thereto signed by both Parties) (the "Transfer Agreement") and the associated documents referenced therein, comprise all the agreements between the Parties and no

representations or statements, verbal or written, have been made, modifying, adding to, or changing the terms of these agreements.

IN WITNESS WHEREOF, the Parties hereunto have set their Hands and Seals on this day of _____, 2017.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Crusader/Mountie, LLC

By: Dr. Randall J. Pannell
Its: Interim President

Witness

Attachment to Exhibit E

1. (4) office desks,
2. (3) filing cabinets,
3. (6) lockers,
4. (1) TRC meter,
5. (1) PH meter,
6. (1) DO meter,
7. (4) office chairs,
8. (1) window heat/air unit,
9. (4) space heaters,
10. (1) 4-7-10-8 buffer,
11. (1) DPD total chlorine reagents,
12. (1) zero oxygen standard,
13. (2) thermometers,
14. (5) pipettes,
15. (1) PH temperature probe,
16. (1) metering pump,
17. (2) life jackets,
18. (16) belts,
19. (7) air filters,
20. (2) floats,
21. (52) relays,
22. (3) breakers,
23. (1) grease gun,
24. (1) small blower motor,
25. (8) three inch nipples,
26. (5) three inch clamps,
27. (1) pump station pump,
28. (2) pool skimmers,
29. (1) spare pump and impeller for dining hall pump station,
30. (1) spare pump for Crusader Court,
31. (1) waste water board,
32. (8) breakers,
33. (1) contactor,
34. (1) act relay,
35. (2) generator pigtails.
36. Such quantities of tubing; lime; high temperature oil; enzymes; CL2 tablets; sodium thiosulfate, pentahydrate; sodium hypochlorite solution and other consumables if any as may be on hand at the Transfer Date

EXHIBIT F

CONTRACTUAL OBLIGATIONS

The following is a list of all contractual obligations being assumed by Renewable Water Resources:

None.

EXHIBIT G

OTHER LIABILITIES

The following is a list of all other liabilities relevant to this transaction being assumed by Renewable Water Resources:

None.

EXHIBIT H

[Form of access easement]